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## THE SECRETARY OF STATE

WASHINGTON

October 18, 1980

MEMORANDUM FOR: THE PRESIDENT

From: Edmund S. Muskie

Subject: U.S. Policy Toward Argentina

On May 29 the Inter-Agency Group for Latin America developed a strategy, subsequently approved by you, to improve our relations with Argentina during 1980.

However, following the IG meeting two events occurred which have caused us to reassess the timing of our initiatives:

-- The Bolivian military, with Argentine sympathy and support, staged a coup in Bolivia. Assistant Secretary Bowdler's visit to Buenos Aires was postponed as a result.

-- Argentina thus far has not agreed to continue cooperation beyond October on grains export restrictions to the Soviet Union.

I emphasized both of these issues, in addition to our human rights concerns, in my recent meeting with Argentine Foreign Minister Pastor at the UN General Assembly. Under Secretary Cooper in a subsequent discussion with the Argentine Minister of Economy received the impression that continued cooperation on grains is possible but much depends on the size of the 1980/81 harvests. We plan to continue our efforts through further discussions in Buenos Aires, Washington, and at international meetings.

Argentine decision-making is influenced by the nearness of our presidential election and by their own presidential transition. General Viola will replace President Videla March 29, 1981.

Under these circumstances, we believe that, while it is important to proceed with as many of the proposed 1980 initiatives as possible, it would be inappropriate to proceed this year with some of the steps earlier contemplated. However, we should maintain private dialogue and avoid public confrontation that would make this dialogue difficult. The steps we intend to proceed with this year and those we plan to defer until next year are as follows:

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I. Continuing or Early Action Initiatives:

-- We will pursue our significant commercial and economic interests in preparation for the meeting of the U.S.-Argentine Mixed Economic Commission to be held in Buenos Aires, probably in March or April (the earliest mutually convenient timeframe). The meeting will include discussion of bilateral trade issues and seek to expand commercial relations. We also would use this occasion to continue dialogue over the issues that may be current at that time.

-- We will move forward on negotiations to arrive at an agreement on the assurances required for the Nuclear Non-proliferation Act. We continue to urge the Argentines to ratify the Treaty of Tlatelolco as they had earlier promised you.

-- We will seek to conclude the negotiations for a bilateral income tax treaty and a consular convention.

II. Initiatives Postponed Until Next Year:

-- The first round of periodic security consultations, focusing on security of the South Atlantic.

-- Periodic policy talks on global and hemispheric issues.

-- Signing the Agricultural Cooperation Agreement, unless we can obtain a renewal of the Argentine decision to limit grains to the Soviet Union.

-- An invitation to an Argentine guest instructor to the U.S. Army School of the Americas until consultations with the Congress are completed and we are satisfied as to the timing of the initiative.

-- A high-level U.S. military visit, although we should keep under review the desirability of an invitation to a senior Argentine military leader, such as the Argentine Army CINC or Chief of Staff.

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